

COST REDUCTION IN PERSONNEL MANAGEMENT

REPORT OUTLINE

I. COST REDUCTION OBJECTIVES SETTING AND REVIEW

II. COST REDUCTION INITIATIVES AND RESULTS

A. Work Methods, Practices, and Productivity Enhancement.

FY 75

(1) Initiative

(2) Results Anticipated

(3) Results Achieved

FY 76

(1) Initiative Planned

(2) Results Anticipated

(Repeated for each initiative)

B. Position Management and Classification.

(Reported as in item A.)

C. Manpower Planning and Staffing.

(Reported as in item A.)

D. Employee Development.

(Reported as in item A.)

E. Incentive Systems.

(Reported as in item A.)

I. Cost Reduction Objectives Setting and Review.

Two steps are important to the management of cost reduction activities: objectives and plans must be established as part of the management planning process and internal evaluation must be tied to cost reduction. This section summarizes action taken to insure that the President's concern for mounting personnel costs is made a part of the management process: It covers

- (1) What action has been taken to insure that department, agency, and subordinate unit personnel management objectives reflect a concern for cost reduction.
- (2) How department management information and evaluation systems are being used to monitor progress in achieving cost reduction objectives.

II. Cost Reduction Initiatives and Results.

The major personnel management program initiatives taken in each of the program categories listed in A through E below, reported separately for FY 75 (discussing items (1), (2), and (3), and FY 76 (discussing items (1) and (2).

- (1) Initiative. (A brief description of the action taken and the proportion of the agency employees, field units, major organizations covered by the action.
- (2) Results Anticipated. (The specific improvements, or savings that are or were expected from the action).
- (3) Results Achieved. (The tangible savings, improvements in productivity, or other results that have been obtained to date.)

Program Categories:

A. Work Methods, Practices, and Productivity Enhancement.

Actions taken, for example, to simplify work, eliminate unnecessary procedures or operations, improve work methods, and other steps to increase productivity that makes the use of personnel resources more cost effective.

B. Position Management and Classification.

Actions taken, for example, to organize work more efficiently and to structure positions more economically, and to insure that positions are accurately classified at grades that are justified by duties and responsibilities performed.

C. Manpower Planning and Staffing.

Actions taken, for example, to increase entry level hiring at lower grade levels than previously, to make more use of part time employment and to improve administration of agency merit staffing systems to achieve cost effective use of personnel resources.

D. Employee Development.

Actions taken, for example, to improve training, and to foster employee development activities that enhance productivity as well as the use of more cost-effective training methods.

E. Incentive Systems.

Actions to enhance the use of incentives to encourage and recognize contributions of managers and employees (both individuals and groups) to more cost effective use of personnel resources.